

Message Text

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ACTION ARA-20

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FM AMEMBASSY NASSAU

TO SECSTATE WASHDC PRIORITY 5541

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S E C R E T NASSAU 833

E. O. 11652: GDS

TAGS: MARR BF US

SUBJ: FACILITIES AND OPERATING RIGHTS NEGOTIATIONS

1. THERE ARE INCREASING SIGNALS FROM GCOB THAT LATTER IS PREPARING POSITIONS ON FACILITIES NEGOTIATIONS WITH SERIOUS VIEW TO CONCLUDING AGREEMENTS BY JUNE 30 TARGET DATE. THERE IS GROWING EVIDENCE AS WELL THAT POSITION PAPERS FROM MINISTRY STAFF TO MINISTERS WILL URGE THAT A BROAD ECONOMIC-SOCIAL ASSISTANCE PROGRAM FROM THE US BE SOUGHT AS THE QUID FOR AGREEMENT.

2. THIS EXPANSIONIST MOOD AMONG SOME GCOB CIVIL SERVANTS, AS PICKED UP IN INFORMAL EMBASSY DISCUSSIONS WITH THEM, SEEMS TO DERIVE FROM THREE MISCONCEPTIONS:

A. THERE IS AN INFLATED VIEW OF THE STRATEGIC IMPORTANCE TO USG OF THESE FACILITIES IN PARTICULAR, AND OF THE BAHAMIAN GEOGRAPHICAL POSITION IN GENERAL;

B. THERE IS STRESS ON THE BROAD VALUE TO THE US ECONOMY OF BAHAMIAN PURCHASES IN US MARKETS, ETC., AND A CONSEQUENT DETERMINATION TO MAKE THE ECONOMICAL RELATIONSHIP LESS OF A "ONE-WAY STREET" THROUGH USG ECONOMIC ASSISTANCE;

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C. THERE ARE REFERENCES TO "HUNDREDS OF MILLIONS OF DOLLARS"

WE HAVE PAID TO THE SPANISH FOR BASES THERE (EMBASSY HAS REQUESTED PM TO PREPARE A CATALOGUE OF QUIDS WE HAVE ACTUALLY PAID IN RECENT BASE NEGOTIATIONS).

3. WE DO NOT KNOW HOW PINDLING AND ADDERLEY, WHOSE VIEWS OF COURSE WILL BE DECISIVE, WILL JUDGE PROPOSED ARGUMENTS SUCH AS THE ABOVE. ALTHOUGH BOTH MEN SHARE A DISTASTE FOR OVERBLOWN GENERALITIES, THEY ARE PROBABLY NOT ADVERSE TO ESPOUSING THEM AT LEAST INITIALLY FOR TACTICAL PURPOSES. EMBASSY HAS THEREFORE BEEN ATTEMPTING TO CORRECT MISAPPREHENSIONS SUCH AS THE ABOVE IN CONVERSATIONS WITH MINEXTAFF STAFFERS, SO THAT OPTIONS PRESENTED TO MINISTERS ARE AT LEAST REASONABLY REALISTIC.

4. THE LINE EMBASSY HAS BEEN TAKING WHEN CONFRONTED WITH THIS EXPANSIONIST THINKING IS:

A. FACILITIES, WHILE IMPORTANT, ARE NOT STRATEGICALLY VITAL TO US POSTURE. THEIR LOCATION IN BAHAMAS IS A CONVENIENCE RATHER THAN A NECESSITY. WE SEE PROBLEM ESSENTIALLY AS A REAL ESTATE TRANSACTION. UNLIKE OTHER FACILITIES THEY ARE PRINCIPLE RESEARCH-ORIENTED AND ARE NOT COMBAT-RELATED IN ANY RESPECT.

B. OUR APPROACH IS ONE BASED ON COST-BENEFIT BASIS. "RENTAL" FOR THESE FACILITIES WILL BE A CHARGE ON DEFENSE BUDGET, AND, AT A CERTAIN POINT, IT WILL MAKE SENSE TO RELOCATE THEM. WE WILL NOT KEEP THEM HERE FOR SENTIMENTAL REASONS. IF RELOCATION TAKES PLACE, BAHAMAS WILL LOSE EMPLOYMENT AND INCOME FACILITIES GENERATE, AS WELL AS SOME US GOOD WILL.

C. WE ARE PREPARED IN PRINCIPLE TO PAY A "RENTAL" FOR FACILITIES, BUT WE DO NOT FAVOR A STRAIGHT MERCENARY EXCHANGE. RATHER WE WOULD PREFER TO CONCLUDE FACILITIES AGREEMENTS SIMULTANEOUSLY WITH AN AGREEMENT THAT US AND UK WILL MAKE SUBSTANTIAL CONTRIBUTIONS TO BAHAMIAN PROCUREMENT OF CAPABILITIES OUTLINED IN US TECHNICAL SURVEY REPORT, EACH JUSTIFIABLE ON ITS OWN MERITS. WHILE US WOULD IN LAST ANALYSIS AGREE THAT BAHAMIANS COULD USE MONEY AS THEY SEE FIT, INCLUDING FOR ECONOMIC AND SOCIAL PROGRAMS, ASSISTANCE WILL BE
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MUCH EASIER FOR US TO JUSTIFY DOMESTICALLY IF USED FOR SURVEY REPORT PURPOSES. WE HOPE GCOB WILL ACCEPT THIS POINT.

D. WHILE WE ARE INTERESTED IN BEST POSSIBLE RELATIONS BETWEEN BAHAMAS AND US, WE WOULD HOPE TO AVOID AN APPROACH WHICH STARTS FROM AN UNPRODUCTIVE "WHO IS DOING WHAT FOR WHOM" POSITION.

5. OF COURSE, MAJOR FLY IN OINTMENT INPERSUASIVENESS OF ALL THIS IS OPERATING RIGHTS AGREEMENT, WHICH INVOLVES NO REAL ESTATE, IS DIFFICULT TO CAST IN COST-BENEFIT TERMS, AND IS ENTIRELY ONE-SIDED, GIVING US AIRCRAFT AND VESSELS "FREEDOM OF ACCESS TO, AND MOVEMENT IN AND OVER THE TERRITORY OF THE BAHAMAS" AS LONG AS US WANTS IT, AS WELL AS "SUCH RIGHTS AS MAY BE NECESSARY FOR CONDUCTING MILITARY OPERATIONS" IN WAR-TIME. EMBASSY IS UNABLE TO ATTACH A "VALUE" TO THIS AGREEMENT, BUT WE SUSPECT THAT GCOB WILL ZERO IN ON THIS AS A QUALITATIVELY DIFFERENT TYPE OF COMMITMENT WHICH JUSTIFIES AND REQUIRES AN APPROACH THAT TRANSCENDS THAT OF "RENTAL". IF THIS IS CASE, DEPT AND DEFENSE SHOULD BE CONSIDERING HOW MUCH WE ARE PREPARED TO "PAY" FOR GENERAL OPERATING RIGHTS AGREEMENT, EITHER TOGETHER WITH OR IN ABSENCE OF AGREEMENTS ON SPECIFIC FACILITIES, AND WHETHER ADVANTAGES IT CONFERS ARE WORTH POSSIBLE COST. IN CONSIDERING THIS MATTER, DEPTS SHOULD REALIZE THAT NACILITIES AGREEMENT PROVIDES NECESSARY ACCESS TO FACILITIES THEMSELVES AND NORMAL INTERNATIONAL PRACTICE APPEARS SUFFICIENT TO TAKE CARE OF PORT VISIT AND OVERFLIGHT. WAR-TIME OR EMERGENCY RIGHTS WOULD BE SOMETHING WE PRESUMABLY COULD HANDLE BILATERALLY IF WAR OR EMERGENCY SITUATION AROSE.

6. IN CONSIDERING THESE MATTERS FURTHER EMBASSY WOULD APPRECIATE CITATION OF INSTANCES IN WHICH WE HAVE SIMILAR BILATERAL OPERATING RIGHTS AGREEMENTS SEPARATE FROM SPECIFIC FACILITIES AGREEMENTS WITH ANY COUNTRY WITH WHICH WE ARE NOT BOUND IN A MUTUAL ASSISTANCE PACT. IF THERE ARE NO PRECEDENTS, WOULD SUCH AN ASSISTANCE PACT (OTHER THAN RIO TREATY, WHICH IN EMBASSY VIEW WOULD NOT BE ENOUGH TO DO THE TRICK) BE A PRICE WE WOULD BE PREPARED TO CONTEMPLATE TO SECURE THESE RIGHTS?

7. EMBASSY WOULD WELCOME COMMENTS ON ABOVE.

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